

## Leading “Mission Impossible” Investment Returns



Boston - Dallas - Raleigh - San Francisco - Tampa

### Multinational Agricultural Conglomerate

**Situation:** VERTO leadership was called upon to facilitate the turnaround of one of the world’s largest severely troubled companies from a newly established leadership post, the corporation’s special turnaround advisor. The turnaround was second in scale only to Lee Iacocca’s transformation of Chrysler Corporation. The company had a multi-billion dollar top line with tens of thousands of employees worldwide. The bottom-line was consistently losing more than 10% of revenue annually, exacerbating a balance sheet already saddled with billions of debt across more than 200 banks.

**Actions:** During an intense two-year period, VERTO leadership pursued a “clean house” strategy to deal with its creditors and streamline its business simultaneously. The company’s North American subsidiary was particularly troubled and required several drastic improvements and management changes. Developing sustainable management processes was also essential, and an executive level monitoring system was deployed globally to gain keen perceptions into the operations. Notwithstanding a continued downward demand in the farm equipment sector, the company began its turnaround.

**Results:** Through a new strategy, the company repositioned itself into an automotive component supplier, which was a faster growing and more profitable sector. Eventually, the company was successfully merged with several other manufacturing conglomerates at substantial gain for its shareholders. This noteworthy and large-scale turnaround is a featured case study at Harvard Business School.